



GILLINGHAM TOWN COUNCIL

The Town Hall, School Road, Gillingham, Dorset SP8 4QR

Pay Policy Statement 2023 - 2024

1. Introduction and Purpose

This pay policy statement describes Gillingham Town Council's policies that relate to the pay of its workforce, particularly its senior officers and its lowest paid workers.

Under section 112 of the Local Government Act 1972, the council has the "power to appoint officers on such reasonable terms and conditions as it thinks fit". This Pay Policy Statement ('the statement') sets out the council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the council's approach to setting the pay of its employees by identifying:

- the methods by which salaries of all employees are determined, and
- The detail and level of remuneration of its most senior staff, as defined by the relevant legislation.

This policy statement has been approved by the council and is effective from 27th February 2023. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective.

2. Accountability and Decision Making

In accordance with the standing orders of the council, the HR Committee is responsible for decision making in respect of the recruitment, pay, terms and conditions and severance arrangements relating to employees of the council.

3. Responsibility and Scale

Gillingham Town Council is currently directly responsible for a budget of £999,956 (2022/23) and for the employment of 14 staff. The council provides services to a current population of 11,968 residents plus visitors to the town.

4. The Council's Pay Strategy

In determining the pay of its employees, the council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. Regarding the Equal Pay requirements contained within the Equality Act, the council ensures that all pay arrangements can be objectively justified using Job Evaluation methods. The council takes the following approach to assessing individual and overall pay levels.

- **Defining the role** – this describes the activities, responsibilities, accountabilities and behaviours which relate to each job and helps ensure that the role and its requirements is fully understood by the individual and the manager. This allows the council to assess the performance of its staff and so improves efficiency and effectiveness.
- **Determining the job size** – this process ranks all the council's jobs by using job evaluation techniques in order to ensure fairness and transparency and to allow for direct comparison between roles.
- **Determining overall pay levels** – this allows the council to assess the right pay policy and pay levels based on a number of key factors which include but are not limited to ability to pay, national, local and regional pay comparators.
- **Determining pay structure** – pay is frequently made up of a number of elements. This council has adopted an approach which includes basic pay incremental progression related to service or performance. Where different pay arrangements apply to different groups of staff the reasons are clearly evidenced and documented. The council's approach to pay is detailed below and where different arrangements are in place these are explained.
- **Recruiting the right staff** – where necessary the council may apply market supplements or other individual pay levels for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and in accordance with council policy.

5. Pay Design

Gillingham Town Council's pay policy is based on the National Joint Council for Local Government Services nationally negotiated pay scheme which applies to local government employees. The most recent pay award was £1,925 (pro-rata for part-time employees) on all pay points applicable from 01 April 2022.

6. Pay Structure

- **Pay Grades and Progression** - Progression through the pay grades is based on meeting identified performance goals and a combination of service to the council. New employees will usually be appointed to the minimum pay level for the relevant grade. Managers have the discretion to recommend an employee for acceleration of increments within the grade when they have demonstrated exceptional performance.
- **Pay Supplements** - From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with council policies. Such allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by council policy. The council uses the following:
 - Allowances to attract and retain employees with experience, skills and capacity, for example when there are skills shortages locally or nationally.
 - Special payments where an employee has taken on additional duties and responsibilities for a defined period; for example, covering a vacancy or taking on a special project.

The council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to clear and transparent evidence and where market supplements are considered that this is with reference to data available from within and outside the local government sector.

OTHER EMPLOYMENT-RELATED ARRANGEMENTS

7. Local Government Pension Scheme (LGPS)

Subject to the qualifying conditions of the scheme, employees will be enrolled into the Local Government Pension Scheme (LGPS) at the start of their employment. The employee contribution rates, which are defined by statute, currently range between 5.50% and 8.50% of pensionable pay. The Employer contribution rates are set by Actuaries advising each of the 89 local LGPS funds and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current rate was reviewed in 2022 and is 22% for the years 2023/24, 2024/25 and 2025/26.

8. Professional Fees

Where the council's HR Committee determines that membership of a professional body is essential for the continuous professional development of an employee the council will pay the fees of that professional body. Membership of a professional body will be limited to one per member of staff.

9. Business Travel and Expenses

Where employees are required to travel during their duties, they are expected to determine the most appropriate form of transport considering the total cost, travel time and carbon emissions. The cheapest form of transport will normally be chosen unless the travel time is unreasonable. If there are two forms of transport with comparable costs, the transport with the lowest carbon emissions must be selected unless the travel time is unreasonable. If public transport is used, the cheapest travelling fare should be chosen. It is the council's policy not to pay for first class travel.

10. Mileage Allowances

Where employees use their own vehicles for business purposes the mileage allowance will set according to HMRC rates.

11. Subsistence Payments

Employees may claim reimbursement of reasonable additional expenditure for sustenance and or accommodation incurred whilst they are working away from their normal place of work and unable to follow their usual arrangements. Such claims will normally be paid only in circumstances where employees are required to travel out of the area and incur an overnight stay. Where it is agreed that the journey will be made in a single day, claims for reasonable reimbursement for lunch and an evening meal will be considered. Reimbursement of all claims will only be paid on submission of a receipt for the expenditure incurred. All subsistence claims will be paid in accordance with HMRC rates and must be agreed by the Town Clerk prior to travel.

12. The Town Clerk and Senior Management Team

Due to the nature and responsibilities of their role, the Town Clerk and the Senior Management Team (Works Manager and RFO) are normally employed on permanent employment contracts. When recruiting to all posts the council will take full and proper account of its own Equal Opportunities Policy. The determination of the remuneration to be offered to any newly appointed Town Clerk, or member of the Senior Management Team, will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Where the council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.

In exceptional circumstances, where the council remains unable to recruit to a Town Clerk or member of the Senior Management Team, or where there is a need for interim support to provide cover for a vacant post, the council may consider engaging an individual through a 'contract-for services'.

Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to pay termination payments. Where these arrangements are used the council will use relevant procurement processes to ensure that it can demonstrate value for money. Such arrangements will be kept under regular review by the HR Committee.

13. Lower Paid Employees

The lowest paid persons employed under a contract of employment with the council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the council's grading structure. As at 1 April 2022, this is £22,777 per annum (the council applies a living wage policy). The council may employ apprentices who are not included within the definition of 'lowest paid employees' as they are employed under an approved apprenticeship standard.

14. Pay Multiple

As described above the council uses an established process of defining roles, determining job size and salary levels. This process determines the relationship between the rate of pay for the lowest paid and senior manager post, including the Town Clerk, described as the pay multiple. The current pay multiple, as at February 2023 between the lowest paid employee and the Town Clerk is 1:2.1. This is as currently recommended by The Hutton Review of Fair Pay in the Public Sector (2010) and will be monitored and recorded annually.

15. Payments on Termination of Employment

Any payments falling outside the provisions of 'the statement' or the relevant periods of contractual notice are subject to a formal decision made by the HR Committee to approve such payments and will be determined on a case by case basis. It is not the council's policy to re-employ or to contract with senior managers who have been made redundant from the council unless there are exceptional circumstances where their specialist knowledge and expertise is required for a defined period or unless a period of 1 year has elapsed since the redundancy and circumstances have changed.

16. Publication of Pay Statement

Upon approval by the Full Council, this statement will be published on the council's website. In addition, for posts where the full-time equivalent salary is at least £50,000, the council's annual statement of accounts will include a note setting out the total amount of:

- salary, fees, or allowances paid to or receivable by the person in the current and previous year,
- any bonuses so paid or receivable by the person in the current and previous year,
- any sums payable by way of expenses allowance that are chargeable to UK income tax,
- any compensation for loss of employment and any other payments connected with termination, and
- any benefits received that do not fall within the above.

17. Changes to the Policy

The council may, at any time, by resolution of the council, amend the statement.

18. Evaluation and Review

The statement will be subject to review by the council's Finance and Policy Committee by no later than 1st March 2024.

Signed by:

The Mayor of Gillingham: _____ Date: _____